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4   UNITED STATES PATENT AND TRADEMARK OFFICE
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6
7   BEFORE THE BOARD OF PATENT APPEALS
8   AND INTERFERENCES
9   _____
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11   *Ex parte* ARVIND NATH PURI, VIJ DEEPAK and
12   GALINA ATLAS PATIL
13   _____
14
15   Appeal 2006-2678
16   Application 09/235,120
17   Technology Center 1700
18   _____
19
20   Decided: July 16, 2007
21   _____
22
23   *Before*: MURRIEL E. CRAWFORD, HUBERT C. LORIN and
24   ANTON W. FETTING, *Administrative Patent Judges*.
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26   CRAWFORD, *Administrative Patent Judge*.
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28
29   DECISION ON APPEAL
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31   STATEMENT OF CASE

32   Appellants appeal under 35 U.S.C. § 134 (2002) from a final rejection

33   of claims 1 to 7, 9 to 12 and 14 to 18, 21 to 24, 26 and 27. Claims 8, 13, 19,

34   20 and 25 have been cancelled. We have jurisdiction under 35 U.S.C. § 6(b)

35   (2002).

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1	THE INVENTION
2	Appellants' claimed invention consists of a computer implemented
3	cost tracking and accounting method which includes the step of creating a
4	unique cost source identifier data structure (Specification 11).
5	Claim 1 under appeal reads as follows:
6	1. A computer implemented actual costing method for
7	collecting and presenting an actual cost of manufacturing an
8	item or performing a service, comprising the steps of:
9	
10	collecting actual costs of performing a job,
11	manufacturing an item and/or purchasing an item,
12	
13	creating a unique cost source identifier data structure for
14	each collected actual cost, each created cost source identifier
15	data structure including a plurality of attribute fields;
16	
17	populating one of the plurality of attribute fields of the
18	created cost source identifier data structure with the collected
19	actual cost;
20	
21	storing the populated cost source identifier data structure
22	in a memory of a computer;
23	
24	associating each unique cost source identifier data
25	structure to a step carried out while manufacturing the item or
26	while performing the service; and
27	
28	organizing and storing the cost source identifier data
29	structures within the computer as a hierarchical structure that is
30	modeled on:
31	
32	a structure of the item manufactured or
33	
34	a sequence of operations carried out while
35	performing the service;

1
2   implementing a selected accounting costing
3   method for actual cost collection and a selected accounting
4   costing method for actual cost presentation by accessing and
5   selectively traversing the hierarchical structure, the selected
6   accounting costing method for actual cost collection being
7   independent of the selected accounting costing method for cost
8   presentation.
9
10
11   THE REJECTION

12   The Examiner rejected claims 1 to 7, 9 to 12, 14 to 18, and 21 to 27

13 under 35 U.S.C. § 103(a) as being unpatentable over Conway in view of

14 Bone and Fahey.

15   The prior art relied upon by the Examiner in rejecting the claims on

16 appeal is:

17	Bone	4,918,602	Apr. 17, 1990
18	Conway	5,732,401	Mar. 24, 1998
19	Fahey	5,970,476	Oct. 19, 1999

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21   The Examiner contends that Conway discloses a computer

22 implemented actual costing method which includes the step of creating a

23 unique cost source identifier data structure for each collected actual cost,

24 each created cost source identifier data structure including a plurality of

25 attribute fields. The Examiner relies on Bone for teaching utilizing costing

26 methods that may be independent of each other and Fahey for teaching

27 creating unique cost identifiers upon each occurrence of a transaction that

28 affects the actual cost of carrying out an activity.

1   Appellants contend that Conway does not discloses creating a unique

2   cost source identifier data structure, having a plurality of attribute fields, for

3   each collected actual cost and associating each unique source cost identifier

4   structure to a step carried out while manufacturing the item or performing

5   the service.

6   ISSUE

7   Whether Appellants have shown that the Examiner erred in finding

8   that Conway discloses the steps of creating a unique cost source identifier

9   data structure, having a plurality of attribute fields for each collected actual

10   cost and associating each unique cost source identifier data structure to a

11   step carried out while manufacturing the item or performing the service.

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13   FINDINGS OF FACT

14   Appellants' claimed invention consists of a computer implemented actual

15   costing method for collecting and presenting actual cost of manufacturing an

16   item or performing a service. The method includes the step of creating a

17   unique cost source identifier data structure for each collected actual cost

18   (Specification p. 5).

19   The specification defines cost source identifier data structure as a logical

20   structure that includes the identified and collected actual cost 110 of

21   manufacturing an item or items and/or the actual cost of performing a

22   business activity or activities (Specification p. 11). The logical or data

23   structure is depicted in Figure 1A. The data structure has several attribute

24   fields including collected actual cost 110, date 120 and quantity 130. There

25   are also additional fields 140 and 150 for other attributes. A new cost source

1   identifier data structure is assigned for each step in a multi-step job so that a

2   job having multiple constituent steps or a manufactured item having a

3   plurality of sub-parts or sub-assemblies may be assigned a corresponding

4   plurality of cost source identifier data structures (Specification p. 12). As

5   disclosed, the advantage of using the cost source identifier data structure of

6   the Appellants' invention is that calculation of actual cost is carried out in

7   real time or near real time (Specification, p. 13).

8   Conway discloses a system for tracking the cost of medical procedures

9   by monitoring the movements of personnel and/or equipment and supplies

10   (col. 1, ll. 4-6). The system utilizes transponder tags 20 associated with each

11   person, each equipment and each supply (col. 2, ll. 1-2). A tag reader 28

12   communicates with each tag 20 as the tag 20 passes within proximity of the

13   tag reader 28 (col. 2, ll. 42-43). The tag reader 28 then supplies tag

14   information from the tag 20 to a computer which processes the information

15   (col. 2, ll. 46-47). The system is depicted in Figure 2 which illustrates how

16   the tag readers 28a, 28b, and 28c register the presence of the tags 20 on

17   equipment (2b for example), and people (22b and 23b for example) in

18   operating room 42. The information from the tag readers is used to

19   determine the cost of the procedure provided to the patient by accumulating

20   the labor cost of caregivers, rental cost of equipment used and cost of

21   supplies consumed, combined with any rental expenses associated with the

22   operating room 42 and any fixed equipment in the room (col. 6, ll. 7-11).

23   Conway does not disclose creating a cost source identifier data structure

24   and associating the cost source identifier data structure with a step carried

25   out while manufacturing the item or performing the service. Conway

1   discloses that the tags are read and the cost associated with the tagged person

2   or equipment is calculated by a computer.

3   Fahey discloses a system for industrial data acquisition and product

4   costing (col. 1, ll. 1-3). The system applies activity based costing to

5   products in product families to produce a detailed analysis of activity based

6   costs. Fahey discloses that all the costs associated with a particular

7   operation or product family are organized together. For example, in regard

8   to the Machine Shop, the costs of the production management operation are

9   aggregated together as well as the costs of the drill and mill activity center,

10   the turning center and the sheet metal center (col. 7, Table 1). Fahey does

11   not discloses creating a unique cost source identifier data structure and

12   associating a unique cost source identifier structure to each step carried out

13   while manufacturing the item or while performing the service.

14   Bone does not disclose creating a unique cost source identifier data

15   structure for each collected actual cost.

16

17   PRINCIPLES OF LAW

18   We initially note that the test for obviousness is what the combined

19   teachings of the references would have suggested to one of ordinary skill in

20   the art. See *In re Kahn,* 441 F.3d 977, 987-988, 78 USPQ2d 1329, 1336

21   (Fed. Cir. 2006); *In re Young,* 927 F.2d 588, 591, 18 USPQ2d 1089, 1091

22   (Fed. Cir. 1991) and *In re Keller,* 642 F.2d 413, 425, 208 USPQ 871, 881

23   (CCPA 1981).

1   DISCUSSION

2   We agree with the Appellants that Conway does not teach or suggest

3   creating a unique source cost identifier data structure for each collected

4   actual cost and associating a unique source cost identifier data structure for

5   each step carried out while manufacturing the item or while performing the

6   service. In addition, we have found that neither Bone nor Fahey cure this

7   deficiency of Conway. Therefore, we will not sustain the Examiner's

8   rejection of claims 1 to 7, 9 to 12 and 14 to 27 under 35 U.S.C. § 103(a).

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10   DECISION

11   The decision of the Examiner is <u>reversed</u>.

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13   <u>REVERSED</u>

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